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# JAPAN REDEEMS FORMOSA & CHINA'S WEALTH FROM THE HEAD HUNTERS

Stern Measures Used at First, But Natives Are Now Getting Benefit of Enlightened Rule Through Education.

development and management of this primitive, isolated island, peopled by Dynasty finally brought Formesa Chinese control. savages, a resentful kindred race, and by Japanese emigrants who would naturally expect to disregard the rights of the conquered, is something of an achievement for a nation only half a portant bearing upon Japan's dominion century old in the modern scheme of socentury old in the modern scheme of sorobbed the natives; and because the clety and government,

Whatever Japan's unfairness or fall-ure may have been in Corea, no sim-llar causes for criticism have arisen in full license to gather to distinct the first state of the st

beauty, fertility and natural wealth, beauty, fertility and natural wealth, with an area of about 14.000 square miles. The estimated population is 3.600,000, made up of 130,000 wild aborigines; 3,228,000 Chinese and tamed aborigines, and 142,000 Japanese. Formosa became a Japanese colony in 1895 collected a few heads in retaliation, and the the class of the war with China at the close of the war with China, Poor old Formosa has certainly been batted about from pillar to post since

earliest times. The Portuguese discovered it in 1557 and gave it the name, signifying beautiful island. Naturally, they "took" it, but left it where it was, they "took" it, but left it where it was, 465 miles from Hongkong northeast as the typhoons blow, and 529 miles from southwestern Japan. That is about all the interest they had in it until the Spanish and Dutch "discovered" it a few years later. Portugal, for once, kept out of the squabble and let her European rivals fight to a finish which fight. pean rivals fight to a finish, which fight ended in 1640 in Dutch supremacy. China became master of the island

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By CLARENCE E. BOSWORTH.

Written Especially for the AustralasianFar Eastern Section of The Sun.
One of the genuinely striking examples of good colonial government is that of Japan over Formosa; and the successful development and management of this strong central government of the Yuan strong central government of the Yuar

#### Japan Offered Peace.

All of this, and what followed for the text two hundred years, has a very imland had cost China so much in effort, soon became known to the world as head

These savages are said by relentists to be very closely related to the Igorotes of the Philippine laineds, and they are believed by some to have involuntarily outgrated to the northern Mani from Lusen through having been caught in a typhoon or some other overwhelming force, just as the South Sea Islanders nigrated to the Hawaitan Islands.

So when Japan took control of the island these natives were suspicious of all Asiatic foreigners and immediately prepared to wage war upon the newcom-ers. The hostility of the aborigines was naturally encouraged by the Chinese, who knew the subjects through long association and carried on a persisten

when the Japanese took over the island they offered the savages peace and plenty if they would simply recognize the new sovereignty and become peace-ful citizens of the island, but they met with the same mistrust which we en-countered when we took over the Phil-ippine Islands. For years Japan car-ried on a sporadic warfare with these people of the island and both sides suf-fered heavy losses. Two measures forced peace between the Japanese and the aborigines; highly charged electric fenc ing was stretched about the aborigines' strongholds and they were effectively kept within bounds in most cases, but occasionally the tribes gathered for a united attack, and then the electrical protection failed.

### Dropped Bombs on Head Hunters

Just a few years ago the savages gathered for a determined attack upon the Japanese, who learned of the plan and Japanese, who learned of the plan and sent military aviators over the camps of the head hunters, who were even then indulging in war dances and feasts in anticipation of gaining control of the island. A few bombs judiciously dropped among them soon convinced them that the Japanese were too powerful to fight longer, and they voluntarily went to the various police and arms, stations. to the various police and army stations and gave up their weapons and promised

Since then the Japanese have estab-Since then the Japanese have estab-lished schools for the savages, and many of the savage children are developing into very desirable and well educated citizens. From the day the very young child enters the Japanese school he is taught the Japanese language, the Japan-nese mode of living and Japanese meth-ods. He is thoroughly Japanized by the time he leaves the school.

One of the great problems facing the Japanese when they entered Formosa was that of transportation. The river was that of transportation. The rivers of Formosa are naturally short because of the comparative narrowness of the Island, and they are rocky and swift because of its mountainous character, so that the waterways which have meant so much to the Chinese were not available to the Chinese or their successors in Formess. As soon Japan assumed control of the and the harber at Keelung. northern port and nearest to Japan. developed at an expense of some \$3,000, 000. This is a purely artificial harbor but the Japanese have given it a mini mum depth of twenty-six feet with a considerably greater depth in most parts of the harbor, so that the largest trans-pacific liners find it possible to enter at

## Railroads Established.

From Keeling straight south the Japa anese built a main trunk line termi-nating at Takao. This gave an adequate means of transportation for men and merchandise the entire length of the island; but the wealth of the new terriory was not even then available, so the Japanese inaugurated a splendid sys-tem of territorial development. Pus rallways, that is, trackage carrying small platform trucks such as we use in factories, pushed or pulled by coolies, were used as feeders extending well inland and up into the mountains. As the traffic on these light railways grew they were removed and narrow gauge steam railways replaced them, and these push railways were in turn reads feed. push railways were in turn made feed ers to the narrow gauge railroads, so that the development of the interior of Formosa has been very rapid under the Japanese administration.

Japanese administration.

The leading products of Formosa are, of course, tea and camphor. Both of these products are brought down from the hills over the trams and narrow gauge roads, and then to Keelung by the main trunk line. One of the chief sources of wealth to the natives is the camphor, and to eliminate amplied deal. camphor, and to eliminate unfair deal-ings by both Chinese and Japanese with the natives, the Government made camings by both Chinese and Japanese with the natives, the Government made camphor a monopoly and permits trade with the natives only through Government barter stores, thus assuring the savage certain, though not very generous, compensation for his merchandise and labor.

The population of Formosa is growing rapidly and largely through the mingrapidly and largely through the materials will be more than sufficient to pay 'for China's imports of manufactured goods and no difficulties in immediate payment will be more than sufficient to pay 'for China's imports of manufactured goods and no difficulties in immediate payment will be more than sufficient to pay 'for China's imports of manufactured goods and no difficulties in immediate payment will be more than sufficient to pay 'for China's imports of manufactured goods and no difficulties in immediate payment will be more than sufficient to pay 'for China's imports of manufactured goods and no difficulties in immediate payment will be more than sufficient to pay 'for China's imports of manufactured goods and no difficulties in immediate payment will be more than sufficient to pay 'for China's imports of manufactured goods and no difficulties in immediate payment will be more than sufficient to pay 'for China's immediate payment will be more than sufficient to pa pensation for his merchandise and labor.
The population of Formosa is growing rapidly and largely through the migration of a really desirable class of Japanese, and the wealth and production of the island is growing in proportion.
Much of the wealth of Formosa lies in the hill country, and the agricultural and mineral production of the island is being increased as rapidly as is possible.
The policy of Japan toward Formosa thas been most liberal and constructive.

The minimum and the server of the Chinese market offers a some unique advantages over the European market and such artificial barriers as protective tariffs and import restrictions are unknown.
We have therefore, come to a point in our relations with China where we with foresight or sten aside and allow others with a clearer vision to grasp the opportunities which are now offered us. The manufacturer who invests in Chinese bonds for interior transporta-

has been most liberal and constructive.

No heavy burden of taxation has ever been laid upon the people. The chief cause of trouble with the savages has been removed through denying them saki and through prohibiting the foreign inhabitants to deal with the natives direct. There is a distinct atmosphere of reace and happiness throughout the utilimate sales is almost prohibitive. No

## BRITISH BANK OPENS **FOREIGN BRANCHES** MUST BE HAULED Anglo-South American Ex-

tends Facilities to Peru.

policy of the bank to meet fully th necessity of business for complete bank-

doza branch of the Anglo-South Ameri

**AMERICAN SYSTEM** 

Effort to Improve Service

Across Pacific.

O. K. Davis, secretary of the Nationa

Foreign Trade Council, approunces that

the council has embarked upon a deter-

mined effort to secure substantial im-

cable and wireless communication across

declared strongly in favor of the estab-

eign nations as essential to the success

f American foreign trade.

The council has appointed a special

committee on foreign communication which is taking up the subject energetic

effective action. This committee is com

national General Electric Company; R.

H. Patchin, manager foreign trade de-partment W. R. Grace & Co.; Frederick J. Koster, former president San Francis-

Company of Scattle.

been occasions when commercial mes-sages were subject to a delay of eight days or more. Moreover, that cable is old and out of repair and subject to fre-quent interruption through breakages, some of these interruptions having been

to an intolerable handicap.

An informal preliminary meeting of the National Foreign Trade Council's committee, held at India House, developed a strong feeling that in case ef-

fective means are not taken by the existing cable concerns to improve communi-cation facilities across the Pacific, a vig-orous effort should be made for the con-

NOT A "HEATHEN CHINEE."

merican Salesman Makes Astonishing Discovery. An American salesman at work in

Chinese buyer using the Malay language

After some two hours of selling effort which resulted in securing a very satis-

factory order, the merchant asked the

struction of a new cable.

ng facilities in South America. With the opening of the branch i

Frederick C. Harding, agent in New Internal Transportation Sysfork of the Angle-South American Bank, tem Wholly Inadequate to Ltd., has announced the opening of a new branch of that institution at Lims Coming Demands. Peru. This is in conformance with the

NEEDS AMERICAN AID

Trade on Great Scale Impossible Until Railroad Facilities Are Previded.

### By F. R. ELDRIDGE,

Chief Far Eastern Division, Burcau of Foreign and Domestic Commerce. Recent observation of the trend of events in China points to a more developed conception of the new obligations which changing ideals in the West have thrust forward for consideration, full license to gather to themselves, from whomsoever had, all of the real and personal property desired by the new settlers. Being better armed, the great Oriental republic and the fundawith the resources or population of the great Oriental republic, and the fundamental cause of this was lack of inter nal development.

China has practically never had chance to develop, and whether this cir-cumstance was due to foreign interfer-ence or native reluctance is beside the point. The issue that must now be faced is that a world woefully bereft of raw materials must turn very soon to China and that present Chinese pro duction must be so multiplied and made so accessible that world shortage re-sulting from the ravages of war can be met with very little economic read-justment. On the other hand the goods justment. On the other hand the goods that China has demanded of the West will consequently tend to increase in volume as the wealth of China and the purchasing power of the Chinese is augmented.

Viewed from the standpoint just sug-gested the business we have done and are doing with China is actually insignificant, and the important thing is to look forward to and plan intelligently for the much greater volume of trad which such prevision will create. There are several well defined lines of pre-paratory activity which can only tend steadily toward such a goal, and every American business man of broad vision should be thoroughly familiar with them. Perhaps the foremost is transortation in all its phases.

We may create a strong merchant marine, establish regular sailings to Chinese ports and still our greatest hope would be to appropriate from some other nation only a share of the limited trade which comes and goes to and from these ports and the interior. Our interest in China's inland transportation problem cannot, therefore, be academic, because this problem more than any other di rectly affects our commerce. But is addition to this our interest will becommore and more necessary when plans for extending China's transportation facilities mature, inasmuch as it is the United States that China must ulti

### Broad Policy Demanded.

It is, therefore, within our power to develop immense markets for our goods, create new sources of raw material and automatically reap the benefits which the war has taught us are bound to ac-crue from financing foreign operations on a large scale. That these operations are constructive rather than destructive only adds to the attractiveness of the proposition. In making a dozen blades of grass grow in China where before one had difficulty in keeping alive, and was then eagerly sought for by many, cooperative action will increase the share of China's foreign trade which each may have immeasurably and benefit China to a like degree. The day of the narrow, grasping policy in China is over, and until this is universally realized nothing of reality great moment to the world can be accomplished.

able. When it is realized that Russian influence in China is no longer of consequence, that German-Austria.

power is gone and British-French-Amercan aims are unified, the Chinese puz alle becomes much simpler. The trouble in China in the past has been a lack of unity in aim. Once the aim is decided upon the accomplishment is com-paratively simple, but when several sets of interests are working at random with no understanding or common aim, the

results are always likely to be exactly the same as those we have witnessed in China. There is no adequate descripton of the new conditions which unified action would bring about in China. All that is possible is to realize the effects that adequate transportation, reformed currency, the abeliton of "likin" or inland parrier taxes, development of mineral torotton of peace and the resumption of resources, improved methods of silk and resources, improved methods of silk and tea culture, and innumerable other reforms quite possible of accomplishment would produce. The purchasing power of these four hundred million people is now at the lowest possible point. The amount of per capita foreign trade is only \$2.50 for China, compared with Japan's \$18, and the United States' \$55 and Australia's \$160. Under such circumstances the effect on the total trade due to raising the individual purchasing plies to cables to the Orient quoting China's economic rights in Shantung. cumstances the effect on the total trade due to raising the individual purchasing power by a few dollars would be enormous and would be shared by all in a position to participate.

China's Enormous Resources.

Not the least promising feature of the Chinese outlook is the fact that China does possess enormous resources.

Not the least promising feature of the Chinese outlook is the fact that China does possess enormous resources which need only the application of capi-tal sither for their development or to tal either for their development or to

inhabitants to deal with the natives direct. There is a distinct atmosphere of peace and happiness throughout the siland, which is thoroughly in harmony with its isolated position and natural beauty.

\*\*More diagram in Crima are the most costly in the world and the effect upon in the world and the effect upon the limite sales is almost prohibitive. No merchant would healtate to buy a mould healtate to buy a mou

# CHINESE TO HIRE A COTTON EXPERT

Mill Owners Arrange to Bring an American to Nanking University.

NEWS FROM THE ORIENT

Peru the Anglo-South American Bank will have increased the number of its branches in South America to twenty-Germans Fight Deportation From Australia, Pleading Marriage Ties.

branches in South America to twentytwo. Heretofore the interests of the
bank in the Peruvian territory have
been cared for through its affiliation
with the Banco del Peru y Londros.
This new branch, however, materially
augments the imperiance of Anglo-South
American service for direct personal
representation for its customers in that
territory. The old connection, however,
will be retained. Special Service to the Far Eastern Section of THE SUN. SHANGHAL, July 1.—The Cotton Mill wners Association of China and the Shanghai Cotton Anti-Adulteration As-Norman Stenning, formerly manager of the Banco del Peru y Londres, who will be in charge of the branch at Lima, sociation have guaranteed jointly the sum of Mex \$4,000 per annum for three years for the purpose of securing an American cotton expert, who will be at-tached to the University of Nanking to many years he was manager of the Men work in conjunction with them in im can Bank in Argentina and has long been prominent in banking and business affairs in South America. His experience work in conjunction with them in im-proving cotton culture in China.

The following officers and executive committee were elected at the annual meeting of the American Chamber of and knowledge render him thoroughly familiar with affairs in that territory. The announcement of the opening of the branch at Lima follows closely the

meeting of the American Chamber of Commerce of China held at the American Club, Shanghai, on June 5: President, J. Harold Dollar, Robert Dollar Company; vice-president, W. C. Sprague, Standard Oil Company of New York; treasurer, E. O. Baker, Connell Brothers Company; secretary, J. B. Powell.

Executive Committee—H. H. Arnold, Andersen Meyer & Co.; E. O. Baker, Connell Brothers Company; J. Harold Dollar, Robert Dollar Company; Stewart P. Elilott, Grace China Company; J. W. Gallagher, United States Steel Products Company; A. R. Hager, Internaannouncement that a branch of the bank had been established at Valencia, Spain. The Anglo-South American Bank now maintains thirty-one branches in the most important commercial and indus-trial centres of Europe and South ucts Company; A. R. Hager, Interna-tional Correspondence Schools; L. Jacob, China and Java Export Company; J. J. OF CABLES URGED Keegan, Gaston, Williams & Wigmore, W. A. B. Nichols, Fearon Daniel & Co. Foreign Trade Council Makes

W. A. B. Nichols, Fearon Daniel & Co.;
B. Atwood Robinson, Chinese-American
Company; N. T. Saunders, Carter Macy
& Co.; W. C. Sprague, Standard Oil
Company of New York.
Reports reaching here from various
sections of China indicate that the Japanese boycott is spreading. At Canton a mob on the East Bund made a bon-fire of Japanese straw hats and in-sisted on the principal Chinese departnent stores discontinuing the sale of

#### "Dry" Campaign in China At a meeting of the moral welfare

ivision of the China continuation committee held on June 4 it was voted t begin at once a publicity campaign i the Pacific Ocean. This is the first step in carrying out the recommendation of avor of nationwide prohibition in Thina. It is understood that the Amer the sixth National Foreign Trade Concan Anti-Saloon League will assist in inancing the enterprise. D. M. Ganvention, held at Chicago recently, which dier, representing the Anti-Saloon League of America, explained his plans for the campaign which is being conlishment of American systems of cable and wireless communication with forlucted in Japan this summer. He stated that the menace of the liquor interests in Japan to China was very real. He also stated that certain American liquor aterests have representatives in China, ally with a view to securing prompt and ombining for the exploitation of China. posed of E. P. Thomas, president United States Steel Products Company; Howard E. Cole, director Standard Oil Company The educational campaign in China will probably take the form of text boaks for use in Chinese schools. of New York; R. P. Tinsley, vice-presi-dent American International Corpora-tion; M. A. Oudin, vice-president Inter-America's plant research work is

China which was brought to an end ast year with the drowning in the Yangtse of Frank Meyer. United States Department of Agricultural explorer, is to be resumed again by J. B. Norton another departmental explorer, who has arrived in Shanghai.

co Chamber of Commerce, and William Pigott, president American Car and HARBIN-The financial situation here The final declaration of the sixth Nais improving as a result of the prelimin-ary steps toward the acknowledgment of the Omsk Government. The Chinese merchants are beginning to accept Sitional Foreign Trade Convention called for the establishment of American systems of cable and wireless as a national trade policy and pointed out that "the world trade for which we are prepared berian bank notes but still at a considerable discount. through increased productive capacity

and for which we are preparing through the new merchant marine can be handled only if we have adequate Amer-PEKIN—On behalf of the British, American, French, Italian and Japanese governments, Sir John Jordan, the dean That such things could not have been hoped for unier the old regime in Europe is, of course, readily understood, and the chaotic conditions in China in the past have been largely magnified reflections of a state of affairs in the West that proved itself finally intolerable. When it is realized that Rus.

American, French, Italian and Japanese governments, Sir John Jordan, the dean of the diplomatic body, has presented to The convention recommended that this national trade policy should be carried into effect first in those piaces where present service has proved utterly inadequate. American, French, Italian and Japanese governments, Sir John Jordan, the dean of the diplomatic body, has presented to Chinese internal difficulties; that the mean-able. When it is realized that Rus. adequate, as in the case of the single cable that forms the only direct com-munication between the United States and the Orient. Even before the outsoon as possible, and, in the mean-while, that military measures would not e resumed.

and the Orient. Even before the out-break of the European war that cable was overburdened with governmental and commercial business, so that com-mercial messages frequently were sub-ject to material delay. The huge increase of business, both commercial and governmental, brought by the war literally swamped the cable at frequent intervals, so that there have been occasions when commercial mesbody at Pekin requested President Hsu to remain in office.

## Chinese Educator Seized.

Chen To-Hsu, until recently dean of the College of Letters of the Pakin Government University, was arrested on June 12 at the New World, an amuso-ment resort outside of Chienmen, on the charge of circulating incendiary lit-The police refuse all informa tion regarding the matter, stating that it is a purely Chinese case and not the concern of the foreign press representa-tives.

The circular distributed by Mr. Chen

any agreement that gives to Japan China's economic rights in Shantung. That Hau Shu-Cheng, Tsao Ju-Lin, Chang Chung-Hsiang. Lu Chung-Yu, Tuan Chi-Kuen and Wang Huai-Ching be dismissed from office and banished rom Pekin at once,

That the Yamens of the precaution-try forces and the Metropolitan gen-larmeric be abolished. That the Pao An or citizens constab-

the interior of Java labored with a

who have remained true to them while tourists furnishing nothing but foreign bilisefully sincere in its grand stand oper-they have been in the concentration food; in short, there is no effort put ations concerning Japan. This class uncamps. The latter claim is likely to forth by the foreigners to either study or derstands full well how futile it would American in perfect English, "When can you make deliveries?"

"Where did you learn to speak Eng-lish?" asked the astonished salesman.
"In the States," said the Chinaman.
"I was graduated at Columbia." camps. The latter claim is likely to meet with short shrift, as the authorities are determined to prevent as far as they to become even very well acquainted can Australians forming alliances with the Germans. To consider these applications a special board comprised of six magistrates has been formed. Four of the magistrates come from New South Wales, while Queens Land and Victoria or provided the magistrates are compressed to be comprised of six magistrates come from New South Wales, while Queens Land and Victoria or provided the magistrates are considered. Fach and the freedom with which our national comment on the affairs of those the magistrates are considered.

# EUROPE SEEKS TO REGAIN TRADE IN THE FAR EAST

Americans Strongly Intrenched During War, but Must Work to Hold Market Against Experienced Rivals.

tively small groups of European merchants, who on the strength of their experience gathered through generations had learned to exploit the Far Eastern markets in a masterful manner. As early as the beginning of the seventeenth century Portuguese and Dutch merchants started to trade in India.

When in 1914 the European Govern-ments had to mobilize their entire strength for war purposes the firm grasp which centres like London, Marseilles, Antwerp, Amsterdam and Hamburg had n the Oriental markets could no longer be maintained as before. German ac tivity practically ceased and a glance at the statistics showing our trade figures with the Far East during the years 1913 to 1915, inclusive, will leave no doubt as to the opportunity which was suddenly given our country to take advantage of this state of affairs.

advantage of this state of affairs.

If it had not been for the lack of experience and tonnage our progress might have been even greater. A clear example is given by the figures relative to our trade with the Dutch East Indies, which increased within four years from a yearly total of less than \$3,000,000 to over \$20,000,000 for exports, while our imports from that territory in-creased in four years from \$5,000,000 to \$80,000,000.

Economically speaking we are to-day the strongest nation as a result of the We have ample capital, unlimited natural resources and vast energy. Our experience in foreign markets has been necessarily limited, but we are quick to learn. The war has helped us tremendously in establishing prestige and we have started to make a valuable reputation for ourselves abroad, which reputation for ourselves abroad, which will be maintained most readily by the expansion of our forelyn commerce Our foreign policies are not imperialis tic, in fact by our unselfish support toward the establishment of a new order of political arrangements we are entering the Far East under great advantages as compared to our predeces sors, who were often suspected of hav

### Urges Direct Selling.

To-day the Oriental merchants realize hat we offer them the largest consuming market in the world. Our tire and rub ber goods tactories take about 70 per cent of the world's total rubber produc-tion. Copra, vegetable oils, tin, tea, cofcent, of the world's total rubber produc-tion. Copra, vegetable oils tin, tea, cof-fee, tobacco, spices, raw silks and other staple products in the Far East find a son why these products would again be forced to follow indirect trade channels via European centres to be resold to us by European merchants instead of coming direct to our ports now that we have tonnage with which to transport them.

The development is a logical one but
in many cases it will require great effort to compete with European centres. The process is already evident to-day.

Especially Written for The Sun by H.
R. Jolles, Hanager Foreign Trade
Department, National Park
Bank.

It is generally recognized that the increased development of our Far Eastern commerce has largely been a result of the war now ended. Traffic in colonial produce has been monopolized for many centuries by powerful but relatively small groups of European mer
European markets like London and Amsterdam are considerably overbidding our prices for certain commodities in the hope of convincing the Oriental produce that their market, after all, is more profitable to sell in. American capital invested in agricultural and mining enterprise throughout the East is negligible as compared to the sums invested by Europe. We shall have to increase our investments so as to protect ourselves against undue control by foreign capital.

European markets like London and Amsterdam are considerably overbidding our prices for certain commodities in the hope of convincing the Oriental producer that their market, after all, is more profitable to sell in. American capital invested in agricultural and mining enterprise throughout the East is negligible as compared to the sums invested by Europe. We shall have to increase our investments so as to protect ourselves against undue control by foreign capital.

capital.

Europe has another advantage over us to-day in having a large number of specially equipped warehouses and in possessing exact knowledge as to the best way to handle colonial products, practically all of which have their own peculiarities and demand individual care. We shall have to spend considerable money in adding to our port facilities so as to satisfy the international buyer and seller. It is a hopeful sign that a constantly increasing number of American commercial representatives are leaving for Far cial representatives are leaving for Far requirements of our newly established trade relations. A thorough under-standing of their weight, currency and credit systems is essential. We cannot grasp these things by reading books. A study on the ground makes understand-ing comparatively easy.

### Trade Will Grow Steadily.

Our imports from the Orient will renain far in excess of our exports for a number of years, but the most thickly populated section of the world will be a onstantly growing consumer of certain of our manufactured products and raw materials. Native populations are daily developing more tasts for our modern manufactured goods. The less ballast we shall have to put in our outgoing ships the more profitable our Oriental trade will be.

Facilities for financing will be more easily arranged with evenly balanced trade. Our exporters must not expect to get paid on cash terms f. e. b. At-lantic or Pacific ports. The Oriental buyer is accustomed to receiving credit or at least to making payment when re-ceiving the goods at the place where he takes delivery. Fortunately some of our eading banking institutions are opening branches throughout the Far East which will be able to supply the American merchant with the necessary guidance and assistance to solve this prob-

Heretofore they had to rely mainly on foreign banking institutions, which nat-urally meant a severe handicap in any development of our particular interests. While we have history and experience of others to guide us, we shall have to accomplish in a short time what others learned to do over a great number of years. However, we are assured that the Orient is as eager as we are for a permanent development of their trade with us. Their representatives all briogs with us. Their representatives all bring us the same message and permanent ex-positions of Oriental produce are now being maintained in several places. The establishment of permanent showrooms for American articles in the most im-portant Eastern ports should be under-taken by the joint effort of manufacturers, exporters and possibly banks.

If we make a success in the begin-ning, the opportunity in store for us will be as great as in any other dir ction where we have so far sent our goods.

# FOREIGNERS MAKE TROUBLE IN JAPAN

Much Misunderstanding Due to Ignorant Criticism by Newcomers.

Orient, Yokohama with its mangled Russo-Bolshevik community; Tokio with down Russian-Chinese conglomeration; Shanghai with its ever increasing num-ber of foreigners not wanted elsewhere, and finally Pekin with its topheavy group of foreign advisers, official and otherwise, all stand out in my memory and pass in review.

During the war Yokohama presented a

During the war Yokohama presented a continuous scene of political and commercial activity. All persons going to or coming from any point in eastern Asia stopped here. Some came on business, some pleasure and not a few belonged to secret departments of various governments, both allied and enemy.

It was in Yokohama where the notori-

ous Catarau (Rumanian) was arrested by the Japanese and deported, suspected of being a German spy. Here scores of being a German spy. Here scores of American draft dodgers were congre-gated, bearing all manner of passports. In Yokohama was a section where lodged a large group of Bussians where lodged a large group of Russians who had taken out their first papers in the United States and who were travelling with Rus-That the Pao An or citizens constab-states and who were travelling with Rus-are inclined to think it impossible for that country to plan anything for any citizens.

That the citizens of China shall have fellows, having attempted to reach Bolsheviki Russia via Viadivosiok and Harband assombly.

Germans Cling to Australia.

MELHOURNE—Most of the prominent Germans who were domiciled in Australia before the outbreak of war are anxious to remain in the commonwealth and are using every means in their power to prevent the Government. In the foreign community of this same international nuisance. It is a same international nuisance.

ican in management, has a corps of bellboys, waiters and roomboys, who are natives. They are obliged to speak English; they naturally understand what is being said about their people by the British and American guests, and when their reports are read as they appear in the Japanese Police Department you are persuaded to believe that here at least our friends have shown some abil-ity—for these reports are voluminous, and while written in Japanese show their reporters have been painfully faithful in their work.

By MILTON B. M'INTOSH,

Formerly Special Assistant to the Navel

Attache, Tokio.

You at once think something must be done to prevent all this, that you must hasten and tell your American and British friends how they are heaping coals on the fire and embarrassing As I recall the last years spent in the political and diplomatic dealings with these people. Your attempt to do this is, however, doomed to worse than fail-President Hau Shih-Chang and the whole Chinese Cabinet have tendered their resignations, and the An Fu Club is endeavoring to secure the election of Cki-Jul as President. The diplomatic body at Patla Research Change and the Asiatic "How Island" and the whole Chinese Cabinet have tendered current; Osaka with its Western combar anything on this subject unless you have found some new epithet to hurl or special form of instance of the combar anything on the subject unless you have found some new epithet to hurl Asiatic "Hog Island" and shipping mil-So you, too, give it up and wait for an ilonaires in the background; Seoul with opportunity to tell your friends at home its Corean statesmen settling down to how those of us travelling or residing a realization of their part in the presa realization of their part in the pres-ent and future political Japan; Moukden with its handful of vigitant foreigners has been trying for so long to do, and attending to Japan's business: Viadi-vostock with its nucleus of an allied mili-tary garrison; Harbin with its broken so forcibly that laws will be enacted down Russian-Chinese complowers ton. giving the State Department more au-thority to look into and determine the status of a proposed traveller in the

Orient. It is even suggested that a book of suggestions as to conduct while abroad would not be out of place and per-chance might do a great deal toward removing this most fruitful source of perpetual and insidious trouble and misunderstanding. If the Government ever assumes a definite foreign policy as affecting the Orient this too be made known to the unofficial repre-sentative.

The reflex action of the unfounded talk of the foreign inhabitants of the talk of the foreign inhabitants of the principal cities of China and Japan is being seen just now, and is persistently manifesting itself here. In fact, we have been fed up on so much of this diseased "Far Eastern Review" type of ignorant criticism concerning every move made by Japan in China that to-day? we are inclined to think it impossible for that country to plan anything for any

are anxious to remain in the commonwealth and are using every means in
their power to prevent the Government
In the foreign community of this
from deporting them to their native
country. The reasons put forward are
many and varied.

Some of the internees are married to
Australian girls, while others are anxilous to enter into matrimony with girls
lous to enter into matrimony with girls
who have remained true to them while

fering bribes to our consular officials to
be in Shanghai are being deluded by this
same international nuisance. It is a
shameful fact that we have in this masens living in foreign style, reading foreigh newspapers, eating foreign food,
both ourselves and to their brothers is
foreign judgment on things political hapleus to enter into matrimony with girls
pening there; the hotels catering to
the finded states who happen to
be in Shanghai are being deluded by this
same international nuisance. It is a
shameful fact that we have in this masens living in foreign foreign food,
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shameful fact that we have in this masens living in foreign style, reading foreach the literational nuisance.

The same international nuisance.

The same internati

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